



# PROPOSED RULE MAKING

**CR-102 (June 2004)**

(Implements RCW 34.05.320)

Do **NOT** use for expedited rule making

**Agency:** Office of the Secretary of State

- ☒ **Preproposal Statement of Inquiry was filed as WSR 10-15-073; or**  
☐ **Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or**  
☐ **Proposal is exempt under RCW 34.05.310(4).**

- ☒ **Original Notice**  
☐ **Supplemental Notice to WSR \_\_\_\_\_**  
☐ **Continuance of WSR \_\_\_\_\_**

**Title of rule and other identifying information:** (Describe Subject)

Charities Program Tiered Financial Reporting and Exempt Filing Requirements; some minor updates to terminology

**Hearing location(s):**

Office of the Secretary of State  
 Dolliver Building  
 2<sup>nd</sup> Floor Conference Room  
 801 Capitol Way S  
 Olympia, WA 98504

Date: 10/26/2010 Time: 9:00 AM

**Submit written comments to:**

Name: Pamela Floyd  
 Address: PO Box 40234  
 Olympia, WA 98504-0234

e-mail [Pam.Floyd@sos.wa.gov](mailto:Pam.Floyd@sos.wa.gov)

fax (360)586-4989 by (date) 10/26/2010

**Assistance for persons with disabilities:** Contact

Sharon Baker by 10/25/2010

TTY (800) 422-8683 or ( ) \_\_\_\_\_

**Date of intended adoption:** 10/27/2010

(Note: This is **NOT** the **effective** date)

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

To remove conflicts with federal guidelines regarding the definition of "review" as it pertains to financial reports required to be filed at the state level. These changes will also remove a fee for charitable organizations that are exempt from filing at the state level, but choose to do so. Some rules were amended to move towards plain talk, and to change confusing terminology from "fiscal" year to "accounting" year.

**Reasons supporting proposal:**

These changes will reduce costs for charitable organizations by doing away with a filing fee for exempt organizations and by removing the "review" for the first tier financial reporting.

**Statutory authority for adoption:** RCW 19.09.540, 43.07.125

**Statute being implemented:** RCW 19.09.540

**Is rule necessary because of a:**

- Federal Law? ☐ Yes ☒ No  
 Federal Court Decision? ☐ Yes ☒ No  
 State Court Decision? ☐ Yes ☒ No  
 If yes, CITATION:

**DATE**

September 3, 2010

**NAME** (type or print)

Steve Excell

**SIGNATURE**

**TITLE**

Assistant Secretary of State

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
 STATE OF WASHINGTON  
 FILED

**DATE:** September 03, 2010

**TIME:** 7:41 AM

**WSR 10-19-009**

(COMPLETE REVERSE SIDE)

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Name of proponent:** (person or organization)  
**Division of Corporations, Office of the Secretary of State**

☐ Private  
☐ Public  
☒ Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Pamela Floyd	801 Capitol Way S, Olympia, WA 98504	(360) 725-0310
Implementation....Rebecca Sherrell	801 Capitol Way S, Olympia, WA 98504	(360) 725-0310
Enforcement..... Jeff Even , Office of AG	1125 Washington St SE, Olympia, WA 98504-40100	(360) 586-0728

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No. Explain why no statement was prepared

The proposed rules will reduce costs for charitable organizations by not requiring a review of financial reports. The fee for exempt organizations is removed.

**Is a cost-benefit analysis required under RCW 34.05.328?**

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone ( ) \_\_\_\_\_

fax ( ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No: Please explain: These rules are adopting, by reference without material change, Washington state statutes and are not required to do a cost-benefit analysis per RCW 34.05.328 (5)(iii).